

HOUSE BILL 1022

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C7

2004 Regular Session  
4r1644  
CF 4r2960

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By: **Washington County Delegation**  
Introduced and read first time: February 12, 2004  
Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Washington County - Tip Jar Gaming - Licenses**

3 FOR the purpose of altering the requirements to sell or wholesale for profit a tip jar  
4 packet in Washington County; clarifying that a person must have a license to  
5 sell or wholesale for profit a tip jar packet; applying a certain residency  
6 requirement only to volunteer fire companies or volunteer rescue companies;  
7 making a tip jar licensee, holder of an interest in a tip jar license, or person who  
8 is an immediate family member of a licensee or holder of an interest in a tip jar  
9 license ineligible to sell or wholesale for profit a tip jar packet; making certain  
10 persons in which a stockholder or member is a tip jar licensee ineligible to sell or  
11 wholesale for profit a tip jar packet; repealing a certain maximum limit for gross  
12 profits from a tip jar; requiring the Washington County Gaming Commission to  
13 submit an annual report to the Comptroller; providing for the application of this  
14 Act; making certain technical corrections; and generally relating to tip jar  
15 licenses in Washington County.

16 BY repealing and reenacting, with amendments,  
17 Article - Criminal Law  
18 Section 13-2427 and 13-2435(d)  
19 Annotated Code of Maryland  
20 (2002 Volume and 2003 Supplement)

21 BY adding to  
22 Article - Criminal Law  
23 Section 13-2439  
24 Annotated Code of Maryland  
25 (2002 Volume and 2003 Supplement)

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
27 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - Criminal Law**

2 13-2427.

3 (a) A person shall be licensed by the agency as a wholesaler before the person  
4 may sell a tip jar packet for profit.5 (b) (1) A person [may] IS ELIGIBLE FOR A LICENSE UNDER THIS SECTION  
6 TO sell or wholesale for profit a tip jar packet if the person:

7 (i) is of good moral character;

8 (ii) except for a volunteer fire company or volunteer rescue  
9 company, has had an established place of business in the county for at least 3 years,  
10 as evidenced by the filing of [a] personal property tax [return] RETURNS;11 (iii) IN THE CASE OF A VOLUNTEER FIRE COMPANY OR VOLUNTEER  
12 RESCUE COMPANY, has been established in the county for at least 1 year;13 (iv) does not owe taxes to the State, the county, or a municipal  
14 corporation in the county;15 (v) unless authorized under paragraph (2) of this subsection, does  
16 not hold a tip jar license; [and]

17 (vi) has not been convicted of a:

18 1. felony; or

19 2. misdemeanor involving a violation of a gambling or  
20 gaming law of the State;21 (VII) EXCEPT FOR A VOLUNTEER FIRE COMPANY OR VOLUNTEER  
22 RESCUE COMPANY, DOES NOT HOLD A TIP JAR LICENSE OR OWN OR HAVE IN ANY  
23 WAY AN INTEREST IN AN ENTITY THAT HOLDS A TIP JAR LICENSE;24 (VIII) EXCEPT FOR A VOLUNTEER FIRE COMPANY OR VOLUNTEER  
25 RESCUE COMPANY, IS NOT AN IMMEDIATE FAMILY MEMBER OF A PERSON WHO  
26 HOLDS A TIP JAR LICENSE OR OWNS OR HAS IN ANY WAY AN INTEREST IN AN ENTITY  
27 THAT HOLDS A TIP JAR LICENSE; AND28 (IX) IS NOT A CORPORATION, LIMITED LIABILITY COMPANY, OR  
29 UNINCORPORATED ASSOCIATION IN WHICH AT LEAST ONE STOCKHOLDER OR  
30 MEMBER IS A HOLDER OF A TIP JAR LICENSE.31 (2) A volunteer fire company or volunteer rescue company may hold both  
32 a tip jar license and a wholesaler's license.

1 13-2435.

2 (d) (1) This subsection applies only to a person who holds a tip jar license  
3 under § 13-2420(b)(7), (8), or (9) of this subtitle.

4 (2) Subject to paragraphs (3) and (4) of this subsection, a person subject  
5 to this subsection shall deposit with a financial institution designated by the gaming  
6 commission, to the credit of the fund, the gross profits from each tip jar that the  
7 person operates.

8 (3) [The gross profits from a tip jar may not exceed \$250.

9 (4)] To offset the costs of operating a tip jar, a person with a tip jar license  
10 may retain 50% of the gross profits from each tip jar game.

11 13-2439.

12 ON OR BEFORE FEBRUARY 1 OF EACH YEAR, THE GAMING COMMISSION SHALL  
13 SUBMIT A REPORT TO THE COMPTROLLER THAT INCLUDES:

14 (1) THE TOTAL AMOUNT OF REVENUE RECEIVED BY THE GAMING  
15 COMMISSION FOR THE PREVIOUS CALENDAR YEAR AS A RESULT OF THE OPERATION  
16 OF TIP JARS IN WASHINGTON COUNTY;

17 (2) A DETAILED LISTING OF THE TOTAL DISTRIBUTIONS MADE BY THE  
18 GAMING COMMISSION DURING THE PREVIOUS CALENDAR YEAR WITH REGARD TO  
19 REVENUE RECEIVED FROM THE OPERATION OF TIP JARS IN WASHINGTON COUNTY;  
20 AND

21 (3) ANY ADDITIONAL INFORMATION THAT THE COMPTROLLER MAY  
22 REQUIRE.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be  
24 construed to apply to and interpreted to affect persons who apply for or hold a tip jar  
25 license or wholesaler's license issued by the Washington County agency that  
26 administers tip jar gaming.

27 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
28 June 1, 2004.